ORM

The Way Ahead

Managing Risk for Operational Excellence

NAVY FY05 50% REDUCTION FINAL STATUS
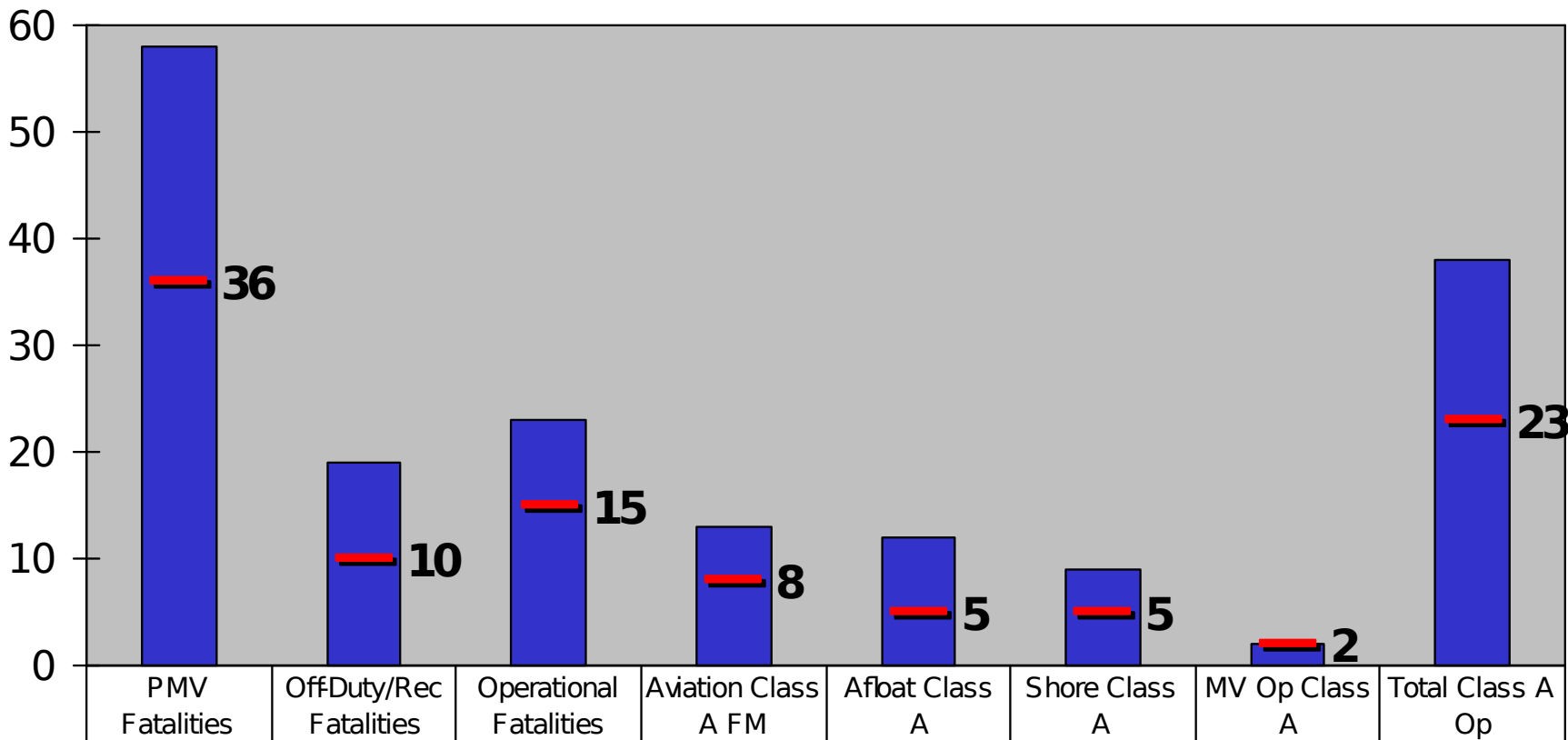
	PMV Fatalities	Off-Duty/Rec Fatalities	Operational Fatalities	Aviation Class A FM	Afloat Class A	Shore Class A	MV Op Class A	Total Class A Op
FY05	58	19	23	13	12	9	2	38
FY05 Ceiling	36	10	15	8	5	5	2	23

ORM – Where We Are

* We have an ORM program
* Unit leadership says ORM is used routinely
* At lower levels, universal understanding and application is lacking

Common Perceptions	NSC/TYCOM Observations
• A Safety Program	• Gap between leadership's view of success and junior view of ORM acceptance
• Only for On Duty	• Fleet familiarity vice knowledge
• Used when doesn't interfere with operations	• Widely varying degrees of cultural adoption
• Use by higher commands is invisible	• Programs used daily not viewed as RM
• A worksheet drill	• Training is underutilized and not focused on application
• Most feel ORM is not used well	

ORM
Where We Want To Be

We will manage risk to operate by following a standardized and institutionalized common model of ORM application and assessment across the fleet.

The Model Unit

Managing Risk to Operate

An Operational Unit whose culture embraces ORM has the following:

- An Education/Training/Certification Continuum
  - ORM Instructors are subject matter experts
  - ORM Instructors focus on process application and culture
  - NKO courses are revisited and reinforced
  - The RM mindset is cemented in all hands – recruit, supervisor, CO
- Structured Planning Process
  - ORM process is the foundation of all unit planning
  - ORM Instructors bring expertise into all levels of unit planning
  - ORM Instructors serve as "Blue Threat" analysts.

* Based on NSC/TYCOM inputs to ORM Working Group

ORM – Where We Want to Be
The Model Unit
Managing Risk to Operate

An Operational Unit whose culture embraces ORM has the following:

– Day-to-Day Application
  - Leadership demands it and applies the process to improve unit
  - Sailors understand the principles and the benefits of the process

– Personal Application
  - Sailors understand ORM as a useful decision making process
  - On-the-job ORM mindset flows to off-duty activities
  - Apply deliberate and time-critical ORM to routine activities

– Periodic Evaluations
  - Unit self-tests understanding and application

* Based on NSC/TYCOM inputs to ORM Working Group

ORM – How We Get There
Build the Model Unit

- ## Leadership
  - ISIC, CO, XO, DH, CMC acceptance of RM
  - Use of ORM terms by those in leadership positions
  - "By example" knowledge and application of principles
  - Expectation of process use in all endeavors

- ## Education
  - A Safety Training Continuum (STC) with ORM/CRM as cornerstones
  - Focus ORM (I) education on application, and assessment
  - Focus executive level education on principles, planning and process management
  - Build standardized expertise in evaluators and instructors
  - Revise and improve current ORM online and resident courses

- ## Assessment
  - Objectively review devotion to principles/application of process
  - Internal Assessments led by ORM Manager (XO)
  - External Assessments by established commands (NSC, ATG, CSTG, etc.)

- ## Feedback
  - Feedback from assessment teams to leadership
  - Feedback from internal assessments to ISICs
  - Input to TRACS by all units
  - Feedback from NSC via web and TRACS

ORM – How We Get There
Change the Perception of Risk Management

1. ORM is a Tactic
– Blue Threat: Action or inaction by own forces that cause casualties
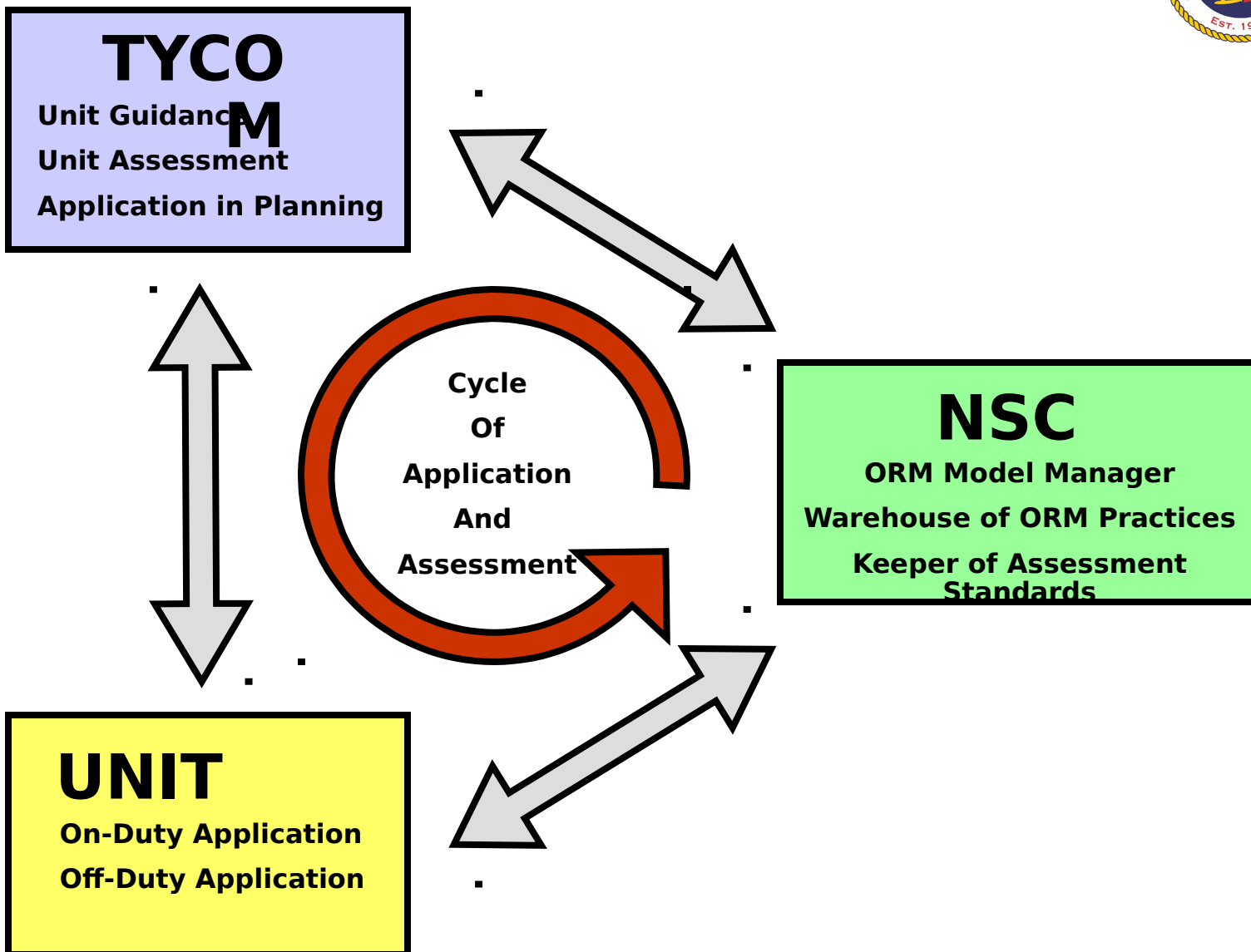– Navy Blue Threat losses far exceed Red Threat Losses

2. Recognize ORM Already in Place
– In-Depth ORM exists in all activities throughout the unit
– Standing orders, Maintenance Programs, NATOPS, SOP, PMV Laws, TRACS, etc.

3. What's Different Today?
– Technique to connect all three levels of ORM
– Question to energize a final execution of deliberate ORM process
– Spurs the use of Time Critical ORM during execution
– The missing piece in ORM understanding and proper application

TYCOM

Unit Guidance

Unit Assessment

Application in Planning

NSC

ORM Model Manager

Warehouse of ORM Practices

Keeper of Assessment Standards

**Cycle
Of
Application
And
Assessment**

UNIT

On-Duty Application

Off-Duty Application

INSTITUTIONAL ORM PROCESS
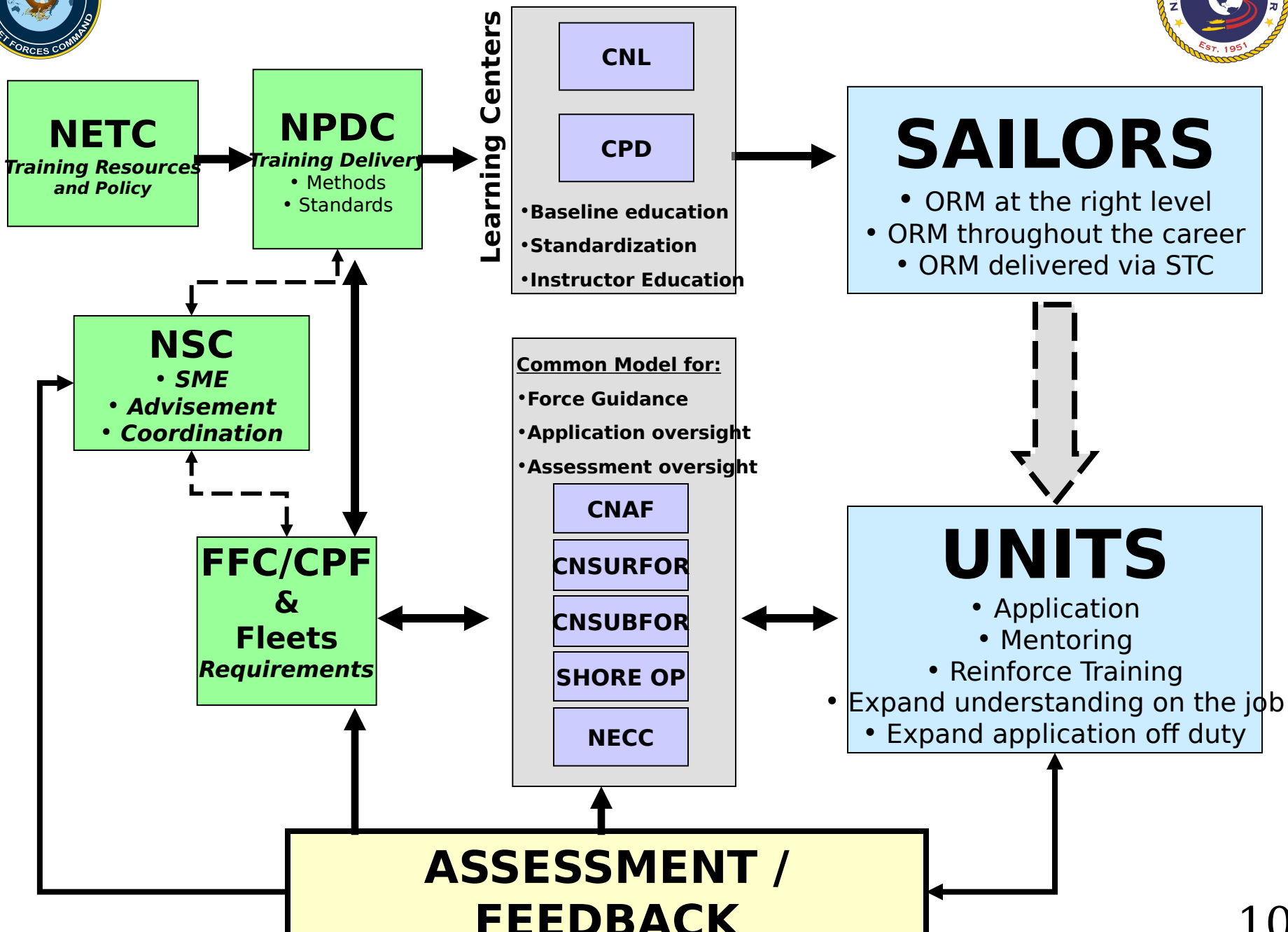
NETC
Training Resources and Policy

NPDC
Training Delivery
- Methods
- Standards

Learning Centers

- CNL
- CPD

- **Baseline education**
- **Standardization**
- **Instructor Education**

SAILORS
- ORM at the right level
- ORM throughout the career
- ORM delivered via STC

NSC
- *SME*
- *Advisement*
- *Coordination*

Common Model for:
- **Force Guidance**
- **Application oversight**
- **Assessment oversight**

- CNAF
- CNSURFOR
- CNSUBFOR
- SHORE OP
- NECC

FFC/CPF & Fleets
Requirements

UNITS
- Application
- Mentoring
- Reinforce Training
- Expand understanding on the job
- Expand application off duty

ASSESSMENT / FEEDBACK

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Standardization of Assessment and Feedback

Standardization of Training and Education

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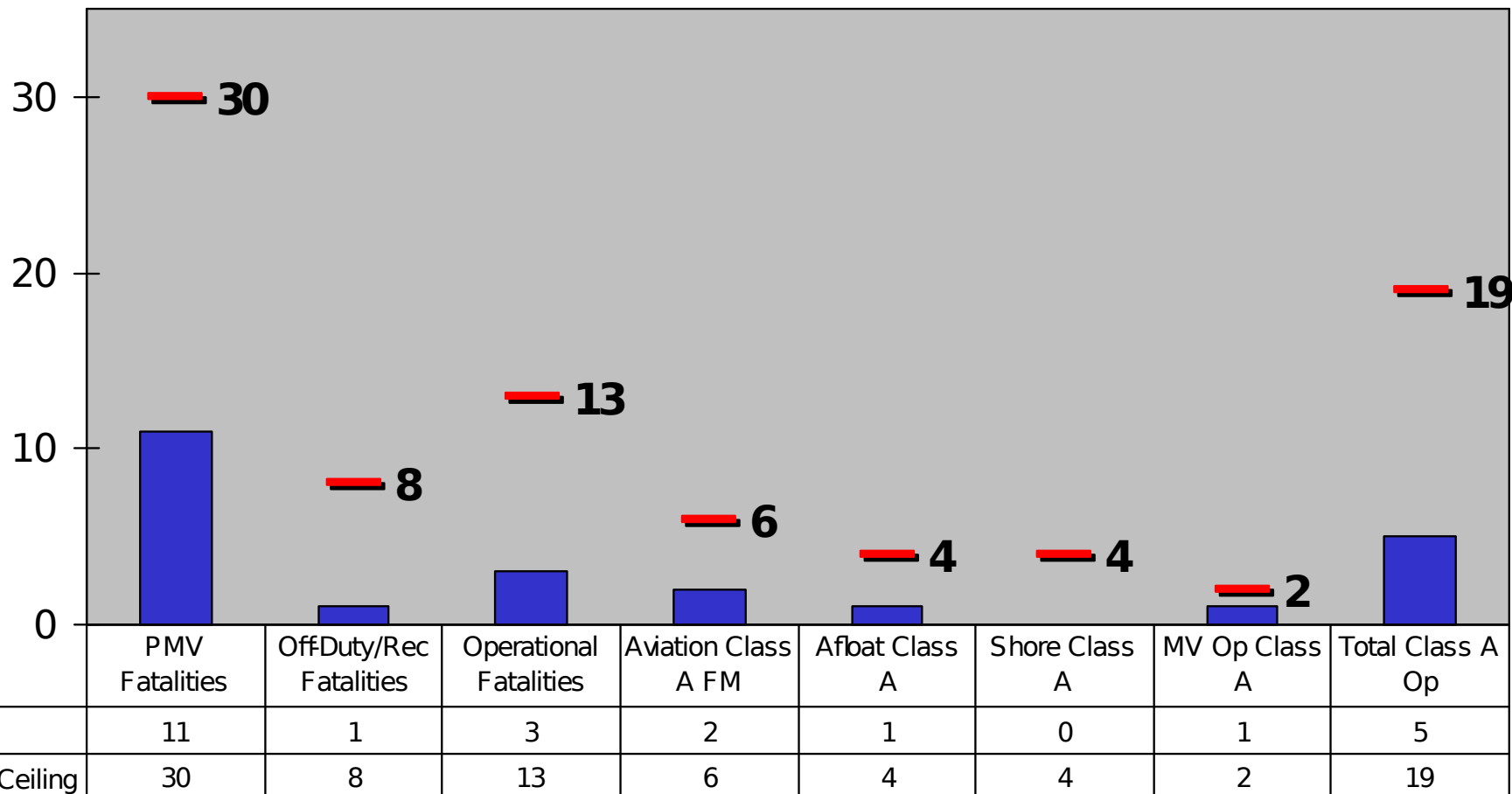**ASSESSMENT / FEEDBACK**

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ORM – How We Get There
Actions to Support Unit Model

FFC, CPF, # Fleets, TYCOMs, and NSC partnering improve RM

- Develop a Safety Training Continuum (STC) to provide standardized RM training model to NPDC: *NSC lead / TYCOM assist*

- Revise and improve current RM online courses: *NETC / NPDC lead*

- Upgrade Application & Integration course curricula and fund expected throughput: *NETC / NPDC lead / TYCOM assist*

- Expand and promote use of TRACS as the means RM process capture and sharing: *NSC lead/TYCOM assist*

- Review and improve current ORM instruction: *NSC lead / TYCOM assist*

- Provide ORM Expectation and guidance to subordinates: *TYCOM lead*

- Embed risk management oversight into inspection and evaluation teams: *Number Fleets and TYCOM lead/NSC assist*

  - TRE, POMCERT, ATG, Safety Survey Teams, etc

  - Develop standard guidelines and performance measures

NAVY FY06 SEC DEF CHALLENGE STATUS (08 NOV 05)

	PMV Fatalities	Off-Duty/Rec Fatalities	Operational Fatalities	Aviation Class A FM	Afloat Class A	Shore Class A	MV Op Class A	Total Class A Op
FY06	11	1	3	2	1	0	1	5
FY06 Ceiling	30	8	13	6	4	4	2	19

ORM
The Way Ahead

Questions?

Back-up

ORM – Where We Are

* Informal poll of Sailors
* Schoolhouse Environment
* Mix of Ranks and Experience

23 Sailors Polled
- **2 x CPO, 6 x PO1, 7 x PO2, 4 x PO3, 4 x E-3 and below**
- **22 of 23 stated they had received formal ORM training**

Level of ORM understanding
- **Good Grasp 1**
- **Familiarity 4**
- **Little Knowledge 10**
- **No Working Knowledge 8**

Hazards to Support Unit Model

- Inadequate current performance measures
  - Need to develop
  - Need to educate ORM appraisers
- Support for Applications & Integration Course
  - Near term funding problem ($400 K, NETC funded)
  - Near term manning problem (2 TSI ORM instructors or all Navy)
- Lack of RM "Chief" and RM "Center of SME"
  - Recommend Chief to be VCNO
  - Recommend Center of SME to be NSC
    - Lacks funding
    - Lacks manning
- Lack of current best practices models
  - Best practices limited to squadron instructions and worksheets
  - Lack of appraisal method and criteria limits identification practices for execution and application
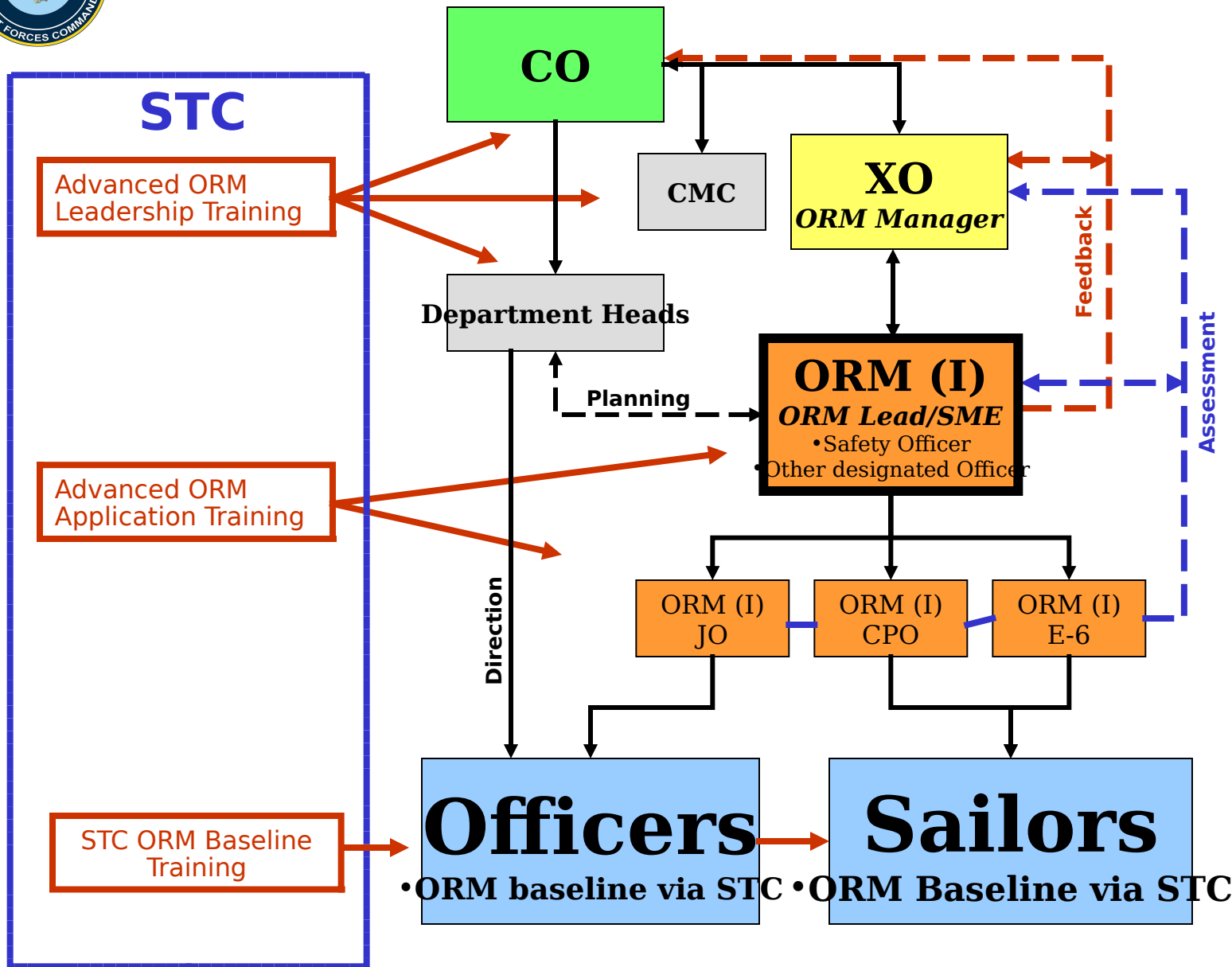
- ## What it has –
  - Assigned NSC for ORM policy
  - Guidance for CNETC to manage training
  - Guidance for TYCOMS to direct use
  - Guidance for COs for unit organization
  - Introductory material on ORM concepts
  - Heavy reliance on TRACS *(Total Risk Assessment and Control System)*
  - Two examples of how ORM might be used
- ## What it lacks –
  - Assignment of "operational owner" or ORM
  - Guidance on responsibilities of ORM unit organization
  - Guidance for assessment and feedback of ORM
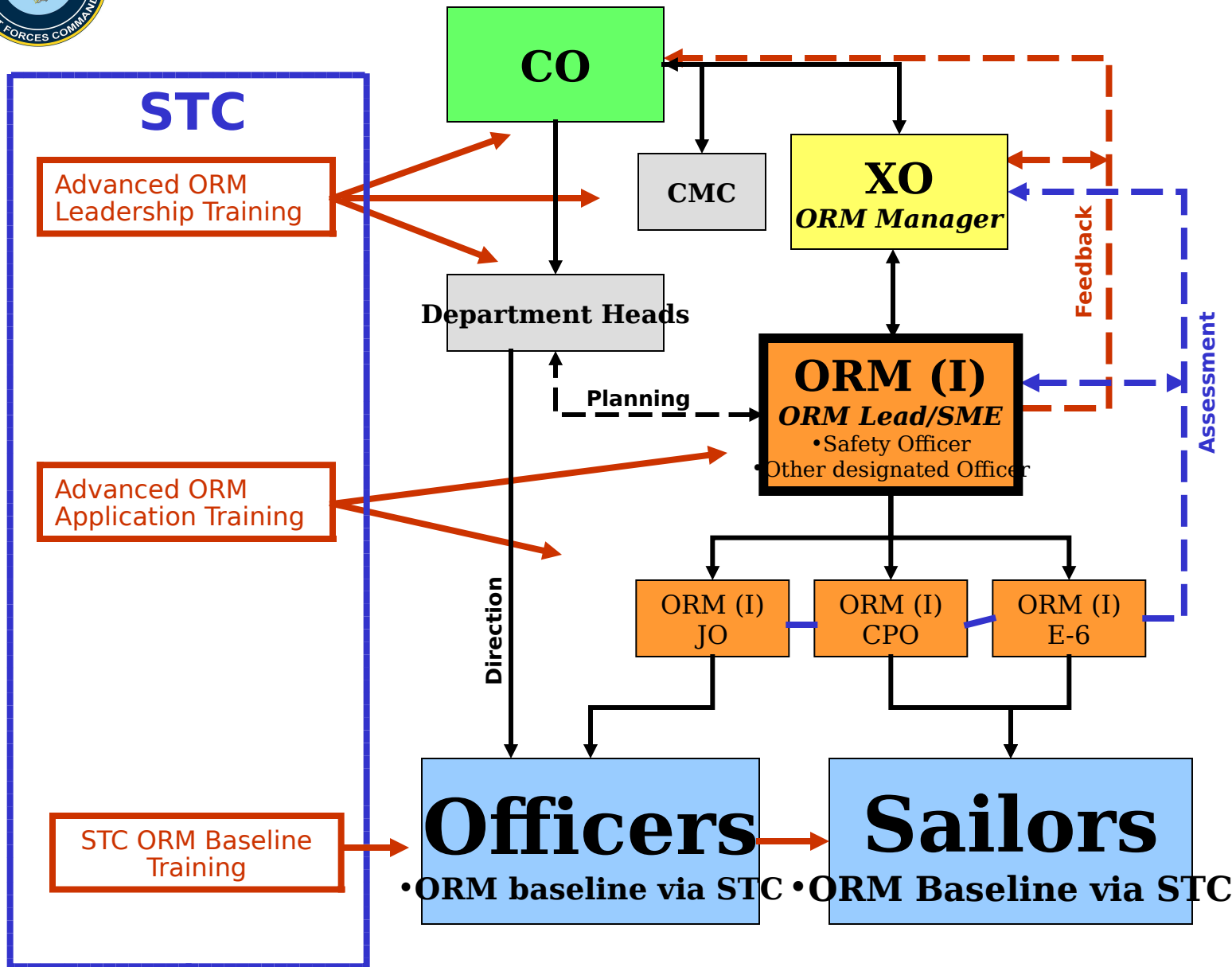 - Oversight and focus on TRACS

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UNIT LEVEL ORM PROCESS

CO

STC

Advanced ORM Leadership Training

CMC

XO
ORM Manager

Department Heads

Planning

ORM (I)
ORM Lead/SME
•Safety Officer
•Other designated Officer

Feedback

Assessment

Advanced ORM Application Training

Direction

ORM (I) JO	ORM (I) CPO	ORM (I) E-6

STC ORM Baseline Training

Officers
•ORM baseline via STC

Sailors
•ORM Baseline via STC

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UNIT LEVEL ORM PROCESS

Guiding the ORM Instructor

ORM (I) Responsibilities

- ORM application SME

- Oversee unit planning as Blue threat expert

- Conduct unit level refresher and unit specific training

- Appraise unit knowledge base and process use

- Advise CO on RM issues

- Manage TRACS inputs

- Refresh application education annually

NSC Required Actions

- Form an ORM Cell
  - Members from all codes (outside expertise?)
  - Conduct advanced education for cell
  - Work with STC group

- Take oversight of TRACS
  - Host on NSC web site
  - Train manager and team for fleet use

- Direct study of Risk Management Assessment
  - Gather team of experts (contract to outside experts?)
  - Ensure consistency and standardization for all communities

- Oversee review and rewrite of ORM instruction
  - Must include direction to ORM Mangers and ORM Instructors
  - Needs to include assessment criteria

STC Purpose

The purpose of the Safety Training Continuum (STC) is to provide Sailors (Officer and Enlisted) with essential knowledge, values and skills to strengthen the Navy's safety culture. The STC is founded on the principles of risk and resource management, and is integrated into all education and training at the right level throughout an entire career. The STC will guide personal decision-making and behavior to minimize human error, both on and off duty, thus reducing mishaps and increasing operational capability.

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STC Pillars

ORGANIZATIONAL CULTURE
Traits evaluated by the Navy Cultural Workshops as indicators of Command Excellence

- Leadership
- Communication
- Trust
- Integrity

SAFETY CULTURE CHARACTERISTICS
Traits of strong safety culture identified by the research of Dr. David Marx and others
- Flexibility
- Self Reporting
- Well Informed Personnel
- Zeal for Learning
- Just Treatment of Personnel

ORM
The principles, levels and process steps of operational risk management are:

Principles
- Accept risk when the benefits outweigh the cost
- Accept no unnecessary risk
- Anticipate and manage risk by planning
- Make risk decisions at the right level

Levels
- In Depth
- Deliberate
- Time Critical

ORM Steps
- Identify Hazards
- Analyze Hazards
- Make Risk Decisions
- Implement Controls
- Supervise

CRM
The seven critical skills for effective crew resource management are:

CRM Skills
- Decision Making
- Assertiveness
- Mission Analysis
- Communication
- Leadership
- Adaptability/Flexibility
- Situational Awareness

ORM and CRM Relationship

Operational Risk Management

Crew Resource Management

- **Decision Making**
- **Mission Analysis**
- **Assertiveness**
- **Communication**
- **Leadership**
- **Adaptability**
- **Situational Awareness**

- ORM is a tool embedded in DECISION MAKING and MISSION ANALYSIS
- CRM is the human factors skill set that will enhance the application of ORM

Failures in the CRM skill set could lead to inefficient ORM practices that may lead to